

Message Text

CONFIDENTIAL

PAGE 01 TOKYO 07184 01 OF 03 170718Z
ACTION EA-09

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CIAE-00 COME-00
EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00
XMB-02 OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01
DODE-00 PM-04 H-01 L-03 NSC-05 PA-01 PRS-01
SS-15 AGRE-00 /108 W
-----170813Z 034561 /13

R 170630Z MAY 77
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC 7803
INFO USMISSION OECD PARIS
USMISSION GENEVA
USMISSION EC BRUSSELS
AMEMBASSY MANILA

C O N F I D E N T I A L SECTION 1 OF 3 TOKYO 7184

MANILA FOR USADB

E.O. 11652: AGDS
TAGS: EAID, PFOR, JA
SUBJECT: JAPANESE AID TAKES LIMITED UPTURN

REF: TOKYO 18118

1. SUMMARY. JAPAN'S AID POLICY RECENTLY HAS TAKEN SOMETHING OF AN UPTURN. THIS TREND EMERGES FROM A BACKGROUND OF QUITE MODEST AID PERFORMANCE, REFLECTING A TRADITIONAL JAPANESE VIEW THAT AID GENERALLY SHOULD BE A BILATERAL INSTRUMENT DESIGNED SPECIFICALLY TO ACCOMPLISH CERTAIN LIMITED AIMS FOR JAPAN. HER FISCAL YEAR 1977 (APRIL 1977-MARCH 1978) BUDGET PASSED IN APRIL AUTHORIZES AN INCREASE IN ECONOMIC AID OF 21.7 PERCENT OVER LAST YEAR AND CURRENT YEN VALUE, TO ALMOST DOLS 2 BILLION. THE INCREASE IN TERMS OF PROJECTED GNP PERCENTAGE IS FROM 0.27 PERCENT TO 0.28 PERCENT. THE MAIN ELEMENT IN THE INCREASE IS A RISE IN CAPITAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 07184 01 OF 03 170718Z

SUBSCRIPTIONS AND CONTRIBUTIONS TO MULTILATERAL AGENCIES. FOR THE LONGER TERM, JAPANESE MINISTRIES JUST PRIOR TO THE SUMMIT WERE DEBATING UNDER PRIME MINISTER FUKUDA'S AEGIS A GOAL OF DOUBLING WITHIN FIVE YEARS JAPAN'S ANNUAL YEN DISBURSEMENTS FOR OFFICIAL DEVELOPMENT ASSISTANCE, AND SOME OFFICIAL ECONOMIC PROJECTIONS REPORTEDLY ASSUME AN EVEN MORE RAPID INCREASE.

2. JAPAN'S WEALTH, LDC PRESSURES IN NORTH-SOUTH FORUMS, AND THE PRESSURE OF JAPAN'S TRADING PARTNERS ON HER TO DO MORE FOR THE PROSPERITY OF NON-JAPANESE, ARE GRADUALLY BROADENING HER TRADITIONALLY LIMITED PERSPECTIVE ON AID. IN RECENT MONTHS JAPAN HAS HEARD A STREAM OF PRO-AID EXHORTATIONS BY DISTINGUISHED VISITORS AS WELL AS BY JAPANESE LEADERS IN THE PUBLIC AND PRIVATE SECTOR.

3. IN ORDER TO INCREASE HER DISBURSEMENTS OF SUMS ALREADY BUDGETED, JAPAN PLANS TO INCREASE THE SHARE OF HER CONCESSIONAL LOANS GOING TO RELATIVELY PROSPEROUS DEVELOPING COUNTRIES. DESPITE ADMINISTRATIVE OBSTACLES, THERE IS SOME HOPE THAT GRANTS TO THE POORER LDCS ALSO MAY RISE MARKEDLY IN FUTURE YEARS. TECHNICAL ASSISTANCE IS EXPECTED TO CONTINUE ITS STEADY INCREASE. ASIA AND ESPECIALLY ASEAN WILL CONTINUE TO GET THE LION'S SHARE OF JAPANESE AID. FUTURE AID PROJECTIONS, REMAIN SUBJECT TO MAJOR READJUSTMENT. END SUMMARY.

4. SOME RECENT POSITIVE TRENDS IN JAPANESE AID POLICY HAVE FOUND EXPRESSION BOTH IN THE AID PORTION OF JAPAN'S FISCAL YEAR 1977 (APRIL 1977-MARCH 1978) BUDGET WHICH PASSED THE DIET IN APRIL AND IN THE INTER-MINISTERIAL AID DELIBERATIONS PRIOR TO THE LONDON SUMMIT.

5. THE JAPANESE ECONOMIC ASSISTANCE BUDGET FOR FY 1977 WENT UP FROM LAST YEAR'S YEN 450.8 BILLION TO YEN 548.5 BILLION (ALMOST DOLS 2 BILLION, OR IN YEN TERMS A 21.7 PERCENT RISE WHICH EXCEEDS THE 17.4 PERCENT NOMINAL

CONFIDENTIAL

PAGE 03 TOKYO 07184 01 OF 03 170718Z

GROWTH RATE IN JAPAN'S ORDINARY BUDGET AS A WHOLE). IN GNP TERMS, JAPAN'S OFFICIAL DEVELOPMENT ASSISTANCE TO LDCS IS BUDGETED AT 0.28 PERCENT OF PROJECTED GNP (9.27 PERCENT WAS THE CORRESPONDING FY 1976 PERCENTAGE). TOTAL BUDGETED AID EXPENDITURES AMOUNT TO YEN 548.5 BILLION, OR ALMOST TWO BILLION DOLLARS AT THE CURRENT EXCHANGE RATE OF ABOUT 275 YEN TO THE DOLLAR.

6. THE INCREASE IS ESPECIALLY LARGE FOR CAPITAL SUBSCRIPTIONS AND CONTRIBUTIONS TO MULTILATERAL AGENCIES, WHICH ARE TO RISE BY 45 PERCENT TO THE YEN EQUIVALENT OF ABOUT DOLS 560 MILLION. THIS JUMP, WHICH WILL SIGNIFICANTLY LIBERALIZE THE AVERAGE TERMS ON WHICH JAPAN'S FY 1977 ASSISTANCE IS OFFERED, PARTLY REFLECTS THE INCLUSION OF A NEW DOLS 50 MILLION COMMITMENT TO THE STILL-FORMING INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD), BUT EVEN THE REMAINING GAIN IS IMPRESSIVE IN VIEW OF THE TRADITIONAL JAPANESE TENDENCY TO DEPRECIATE THE MERITS OF AID (SUCH AS AID TO MULTILATERAL INSTITUTIONS) WHICH

DOES NOT IDENTIFY THE DONOR TO THE RECIPIENT. (THE ADB, PROCUREMENT FOR WHOSE PROJECTS OCCURS LARGELY IN JAPAN, HAS BEEN AN EXCEPTION TO THIS RULE.) AMOUNT OF BILATERAL GRANTS BUDGETED FOR FY 1977 ALSO INCREASED BY 12.0 PERCENT IN YEN VALUE OVER THE PREVIOUS YEAR TO THE EQUIVALENT OF ABOUT DOLS 111 MILLION DESPITE THE COMPLETION DURING FY 1976 OF ALL WORLD WAR II REPARATIONS AND QUASI-REPARATIONS PAYMENTS. BILATERAL LOANS CONTINUE BOTH TO INCREASE (BY 13.3 PERCENT THIS YEAR) AND TO ACCOUNT, AT THE YEN EQUIVALENT OF ABOUT DOLS 1215 MIL, FOR WELL OVER HALF THE FY 1977 AID TOTAL; A YET HIGHER RATE OF INCREASE, 19.7 PERCENT, IS AUTHORIZED FOR TECHNICAL ASSISTANCE, STILL A COMPARATIVELY MINOR ITEM AT THE COMING YEAR'S TOTAL OF APPROXIMATELY DOLS 160 MILLION.

7. THE JAPANESE INTRAGOVERNMENTAL DISCUSSIONS PREPARATORY TO THE LONDON SUMMIT TALKS DEALT INTER ALIA WITH TWO MAIN AID PROBLEMS. THE PROPOSAL THAT THE YEN AMOUNT OF JAPAN'S CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TOKYO 07184 01 OF 03 170718Z

AID DISBURSEMENTS SHOULD BE DOUBLED WITHIN THE NEXT FIVE YEARS REACHED THE STAGE OF DEBATE IN PRIME MINISTER FUKUDA'S PRESENCE, AND IT WAS AGREED WITHIN THE JAPANESE GOVERNMENT THAT JAPAN COULD SUPPORT THE CREATION OF A DOLS ONE BILLION FUND WHICH WOULD HAVE AS A MAIN OBJECT TO MAKE AVAILABLE CONCESSIONAL LOANS FOR THE DEBT RELIEF OF THE POOREST LDCS.

8. DESPITE FOREIGN MINISTRY AND MITI SUPPORT, THE PRIME MINISTER, HIMSELF SYMPATHETIC TO THE IDEA OF SUBSTANTIAL AID INCREASES, DECIDED NOT TO PRESENT THE DOUBLING PROPOSAL AT THE SUMMIT AS A GOVERNMENT POSITION. THE FINANCE MINISTRY, WHILE ACKNOWLEDGING THAT JAPAN'S AID MAY INDEED

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 TOKYO 07184 02 OF 03 170735Z

ACTION EA-09

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CIAE-00 COME-00
EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00
XMB-02 OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01
AGRE-00 DODE-00 PM-04 H-01 L-03 NSC-05 PA-01

PRS-01 SS-15 /108 W

-----170813Z 034728 /13

R 170630Z MAY 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 7804

INFO USMISSION OECD PARIS

USMISSION GENEVA

USMISSION EC BRUSSELS

AMEMBSSY MANILA

C O N F I D E N T I A L SECTION 2 OF 3 TOKYO 7184

MANILA FOR USADB

INCREASE AT THE RATE WHICH THIS PROPOSAL ASSUMES, ARGUED THAT TO SET FORMALLY SUCH A GOAL WOULD BE TO USURP A PREROGATIVE OF THE DIET. IN THE WEEK AFTER THE SUMMIT, HOWEVER, ISAMU MIYAZAKI, DIRECTOR GENERAL OF THE COORDINATION BUREAU OF THE ECONOMIC PLANNING AGENCY (EPA) TOLD A VISITING UNITED STATES NATIONAL WAR COLLEGE GROUP THAT AN EVEN LARGER ANNUAL INCREASE IN AID--BETWEEN TWENTY TO THIRTY PERCENT PER YEAR--HAS BEEN BUILT INTO THE EPA MACROECONOMIC PROJECTIONS FOR JAPAN'S NEXT FEW YEARS PARTLY ON THE ASSUMPTION THAT AID EXPENDITURES CAN SUBSTITUTE FOR DEFENSE EXPENDITURES AS CONTRIBUTIONS TO JAPAN'S SECURITY. THE PROJECTED INCREASE, MIYAZAKI SAID, WOULD EFFECTIVELY DOUBLE JAPANESE AID WITHIN THREE YEARS. CLEARLY PRESENT JAPANESE AID POLICIES REMAIN SUBJECT TO CHANGE.

9. THE NEW LDC FUND SEEMS TO HAVE FALLEN INTO LIMBO BECAUSE OF CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 07184 02 OF 03 170735Z

DISAGREEMENTS AMONG POTENTIAL DONOR NATIONS. FINANCE MINISTER BOH ON HIS RETURN FROM LONDON EMPHASIZED THE IMPORTANCE OF AIDING THE POOREST COUNTRIES THROUGH EXISTING INTERGOVERNMENTAL FINANCIAL INSTITUTIONS.

10. THE EFFORTS TO INCREASE JAPANESE AID EMERGE FROM A BACKGROUND OF QUITE MODEST AID PERFORMANCE ON JAPAN'S PART. THE FLOW OF OFFICIAL DEVELOPMENT ASSISTANCE FROM JAPAN TO THE LDCA MEASURED AS A PERCENTAGE OF GNP FELL FROM 0.25 PERCENT IN CALENDAR YEAR 1974 TO 0.24 PERCENT IN CY 1975; AND IT IS ESTIMATED TO HAVE FALLEN AGAIN TO 0.20 PERCENT IN 1976, THE LOWEST PERCENTAGE SINCE 1964. THIS RECORD COMPARES UNFAVORABLY WITH THE AVERAGE CORRESPONDING 1975 FIGURE FOR DEVELOPMENT ASSISTANCE COMMITTEE (DAC) MEMBER COUNTRIES (THE MOST RECENT YEAR AVAILABLE HERE), WHICH IS 0.36 PERCENT. FURTHER, THE TERMS ON WHICH JAPANESE AID IS EXTENDED HAVE BEEN ON THE

AVERAGE LESS GENEROUS THAN THE AVERAGE TERMS FOR ALL DAC MEMBER COUNTRIES. THE 1975-76 DECLINE IN TOTAL JAPANESE AID EXPENDITURES, AND THE CONTINUING FAILURE TO COMMIT OR SPEND ANYWHERE NEAR THE WHOLE OF JAPAN'S AID BUDGET AUTHORIZATION, ARISE PARTLY FROM THE RECESSION OF THE MID-SEVENTIES AND FROM THE HEAVY OIL DEBT BURDEN WHICH RESOURCE-POOR LDCS ALREADY ARE CARRYING. BUT THE DECREASE IN AID ALSO REFLECTS A LINGERING MINIMALIST VIEW WHICH MANY JAPANESE HAVE HELD OF AID AS A BILATERAL MEANS TO CERTAIN IMMEDIATE ENDS--REBUILDING WAR-RUINED RELATIONSHIPS AND ESTABLISHING JAPAN'S EXPORT MARKETS AND HER ACCESS TO RAW MATERIALS.

11. A VIVID IF STILL NOT QUITE FULL AWARENESS OF JAPAN'S SUBSTANTIAL AND STILL INCREASING WEALTH AND ECONOMIC STRENGTH AND IMPORTANCE; VARIOUS NORTH-SOUTH CONFRONTATIONS ON ECONOMIC MATTERS, ESPECIALLY SINCE THE OIL SHOCK; AND A SPILLOVER OF DEVELOPED TRADING COUNTRIES' FEELINGS ABOUT JAPAN'S SURPLUS INTO CRITICISM OF HER AID PERFORMANCE;
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TOKYO 07184 02 OF 03 170735Z

HAVE ENCOURAGED IN MANY THOUGH NOT ALL JAPANESE MAKERS OF FOREIGN ECONOMIC POLICY A SOMEWHAT BROADER VIEW OF THE PURPOSE OF AID INSTRUMENTS THAN THEY HITHERTO HAVE HELD. THIS DEVELOPMENT OF NEW PERSPECTIVES HAS BEEN OCCURRING JUST AT THE TIME WHEN THE VERY NEEDY CONDITION OF LDCS LACKING MINERAL WEALTH HAS BEEN BECOMING A CONSPICUOUS FEATURE OF THE WORLD ECONOMY.

12. THIS LAST WINTER AND SPRING PRODUCED PRIOR TO PASSAGE OF THE BUDGET A VARIETY OF STATEMENTS ADVOCATING THE EXPANSION OF JAPANESE AID PROGRAMS--FROM THE AID EXPERTS WHO CAME FROM OVERSEAS FOR THE DECEMBER 1976 TIDEWATER CONFERENCE; IN THE MITI WHITE PAPER ON AID PUBLISHED THE SAME MONTH, WHICH MADE A STRONG PLEA FOR MEDIUM-TERM AID PLANNING; FROM THE BUSINESS LEADERS OF KEIDANREN AND THE JAPAN CHAMBER OF COMMERCE AND INDUSTRY; FROM THE RESPECTIVE OUTGOING AND INCOMING PRESIDENTS OF THE JAPANESE GOVERNMENT SOFT-LOAN AID ADMINISTERING AGENCY, SABURO OKITA AND KANEO ISHIHARA, AT THE TIME OF THE PASSAGE OF SERVICE BETWEEN THEM IN MID-MARCH 1977; FROM THE CARTER-FUKUDA MEETING A FEW DAYS LATER AND FROM NOT ONLY THE MINISTER OF FOREIGN AFFAIRS AND OF TRADE AND INDUSTRY, BUT ALSO FROM MINISTER OF FINANCE BOH, WHO TOLD THE UPPER HOUSE FINANCE COMMITTEE MARCH 24 THAT JAPAN SHOULD REACH THE AVERAGE DAC MEMBER PERFORMANCE LEVEL IN GNP PERCENTAGE TERMS "AS FAST AS POSSIBLE." THE FINANCE MINISTRY BACKGROUND OF FOREIGN MINISTER HATOYAMA, NOW THE OVERLOAD OF THE FOREIGN OFFICE ECONOMIC COOPERATION BUREAU EXPERTS WHO ARE THE LEADING AID LOBBY WITHIN THE JAPANESE

GOVERNMENT ON THE INCREASE IN BUDGETED AID.

13. JAPANESE AID OFFICIALS HAVE ADDRESSED THEMSELVES THIS
SPRING NOT MERELY TO INCREASING THE AMOUNT AND IMPROVING
THE TERMS OF JAPAN'S AID BUT ALSO TO THE SERIOUS DIFFICULTIES
JAPAN AS A DONOR NATION FACES IN COMMITTING AND DISBURSING
BUDGETED AID. OFTEN LOAN AGREEMENTS ARE DIFFICULT TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TOKYO 07184 02 OF 03 170735Z

CONCLUDE BECAUSE OF THE HEAVY DEBT BURDEN WHICH POTENTIAL
RECIPIENT COUNTRIES ALREADY ARE CARRYING. TO HELP DEAL

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 TOKYO 07184 03 OF 03 170809Z

ACTION EA-09

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00

XMB-02 OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01

DODE-00 PM-04 H-01 L-03 NSC-05 PA-01 PRS-01

SS-15 AGRE-00 /108 W

-----170812Z 035142 /12

R 170630Z MAY 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 7805

INFO USMISSION OECD PARIS

USMISSION GENEVA

USMISSION EC BRUSSELS

AMEMBASSY MANILA

C O N F I D E N T I A L SECTION 3 OF 3 TOKYO 7184

MANILA FOR USADB

WITH THIS PROBLEM, A FOREIGN MINISTRY OFFICIAL (MINORU
KUBOTA, DEPUTY DIRECTOR, PLANNING DIVISION, ECONOMIC
COOPERATION BUREAU) REPORTS AND INTERMINISTERIAL CONSENSUS
HAS BEEN REACHED IN FAVOR OF OFFERING CONCESSIONAL LOANS
IN FUTURE TO DEVELOPING COUNTRIES WHICH ARE AT A SOMEWHAT
MORE PROSPEROUS LEVEL THAN PAST LOAN RECIPIENT COUNTRIES, AND
WHICH PRESUMABLY HAVE FEWER INHIBITIONS THAN THE LATTER

ABOUT INCURRING ADDITIONAL INDEBTEDNESS. MORE GRANT ASSISTANCE MIGHT THEN BE PROVIDED TO COUNTRIES WHICH PREVIOUSLY HAD BEEN RECEIVING CONCESSIONAL LOANS.

14. THE CURRENT JAPANESE ARRANGEMENTS FOR GRANT ADMINISTRATION, HOWEVER, PRESENT A SPECIAL OBSTACLE TO INCREASING JAPAN'S BILATERAL GRANT ASSISTANCE. JAPAN'S CONCESSIONAL LOANS ARE ADMINISTERED MOSTLY BY THE OVERSEAS ECONOMIC COOPERATION FUND (OECF) AND HER TECHNICAL ASSISTANCE IS ADMINISTERED MAINLY BY THE JAPAN INTERNATIONAL CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 07184 03 OF 03 170809Z

COOPERATION AGENCY (JICA). DURING THE REPARATION ERA JUST ENDED, HOWEVER, JAPAN HAS TENDED TO VIEW GRANTS AS A MINOR AID BUDGET ITEM EXISTING LARGELY WITHIN THE LIMITED FRAMEWORK OF REPARATIONS PAYMENTS. THUS NO SEPARATE AGENCY HAS EXISTED TO ADMINISTER JAPAN'S BILATERAL GRANTS. THESE HAVE BEEN MADE NOT IN MONEY BUT IN JAPANESE GOODS, AND THE TASK OF ADMINISTERING THE GRANTS WHICH HAS DEVOLVED ON THE SECOND ECONOMIC COOPERATION (GRANT) DIVISION IN THE FOREIGN MINISTRY THEREFORE IS A CONSIDERABLE ONE WHICH LEAVES COMPARATIVELY LITTLE TIME FOR DEALING WITH NEW GRANT APPLICATIONS. THE JAPANESE GOVERNMENT NOW HAS UNDER CONSIDERATION A PROPOSAL TO CREAT A SEPARATE AGENCY FOR GRANT ADMINISTRATION. SUCH A STEP WOULD CLEAR THE WAY FOR SUBSTANTIALLY GREATER ATTENTION TO GRANT AID (AN INCREASE IN WHICH, FURTHERMORE, WOULD EASE THE TERMS OF JAPANESE AID TAKEN AS A WHOLE).

15. THE JAPANESE AID BUDGET IS NOT DIVIDED BY GEOGRAPHICAL AREA, BUT IT IS EXPECTED THAT DURING FY 1977 ABOUT THREE QUARTERS OF JAPANESE AID WILL CONTINUE TO BE CONCENTRATED IN ASIA AND THAT NEARLY TWO THIRDS OF THE ASIAN AID PORTION WILL GO TO THE ASEAN COUNTRIES. JAPAN'S IDENTIFICATION WITH HER SURROUNDING GEOGRAPHICAL AREA REMAINS A PREDOMINANT INFLUENCE ON HER ASSISTANCE PATTERNS. SOME JAPANESE AID OFFICIALS BELIEVE THAT JAPAN'S GLOBAL INTERESTS SHOULD BE REFLECTED IN AN EVENER DISTRIBUTION OF HER GLOBAL AID, AND RECENT YEARS HAVE SEEN A SLOW INCREASE IN THE REST OF THE WORLD'S SMALL SLICE OF THIS PIE, BUT THE JAPAN ASEAN DIALOGUE, AND JAPAN'S CONCERN FOR STABLE RELATIONSHIPS WITH THE STATES OF SOUTHEAST ASIA, MAY REVERSE THIS TREND.

16. AS FOR THE REST OF THE WORLD, TECHNICAL ASSISTANCE WILL REMAIN PROMINENT IN LATIN AMERICAN PROGRAMS; GRANTS, IN AFRICAN ONES; AND LOANS AS WELL AS TECHNICAL ASSISTANCE, IN THOSE FOR THE MIDDLE EAST. NEW GRANTS FOR AGRICULTURAL CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TOKYO 07184 03 OF 03 170809Z

DEVELOPMENT HAVE BEEN INTRODUCED IN COUNTRIES--MAINLY SOUTHEAST ASIAN--WHICH EARLIER HAD BEEN RECEIVING REPARATIONS PAYMENTS.

17. THE JAPANESE HAVE REFRAINED IN THE PAST FROM ADOPTING A COMPREHENSIVE COUNTRY PROGRAM APPROACH. INSTEAD THEY HAVE TENDED TO DEAL INDIVIDUALLY WITH RECIPIENT COUNTRY REQUESTS OR WITH POTENTIALLY DANGEROUS PROBLEMS SUCH AS THE CURRENT DEBT SITUATION OF THE POOREST COUNTRIES. DURING THE WEEK OF MAY 9, 1977, HOWEVER, THE FIRST TWO OF THREE JAPANESE GOVERNMENT MISSIONS TO BE LED RESPECTIVELY BY THE DEVELOPMENT COOPERATION AND FIRST AND SECOND TECHNICAL COOPERATION DIVISION DIRECTORS IN THE FOREIGN MINISTRY, WERE DESPATCHED TO FAN OUT AMONG THE ASEAN COUNTRIES AND MAKE A GENERAL SURVEY IN EACH OF POSSIBILITIES FOR TECHNICAL ASSISTANCE PROJECTS. THESE MISSIONS WILL ALSO BE USEFUL AS RENEWED EVIDENCE OF JAPANESE INTEREST IN COUNTRIES WHOSE EXPECTATIONS FROM JAPAN ARE ESPECIALLY HIGH.

18. THE FUTURE SCALE OF JAPANESE AID REMAINS A SUBJECT OF VIGOROUS DEBATE WITHIN THE JAPANESE GOVERNMENT. THE DAC AID TARGET FIGURE, OFFICIAL DEVELOPMENT ASSISTANCE AMOUNTING TO 0.7 PERCENT OF THE DONOR'S GNP, SEEMS TO REMAIN WELL BEYOND JAPAN'S SERIOUS PRESENT AMBITIONS. NEVERTHELESS, ADHERENTS OF A RAPID AID INCREASE MAY HAVE THE UPPER HAND AT THE CURRENT STAGE IN THE CONTINUING TUG OF WAR BETWEEN EXPANSIONISTS AND FISCAL CONSERVATIVES. PRESSURES FROM THE DEVELOPING WORLD, FROM JAPAN'S TRADING PARTNERS, AND FROM WITHIN THE JAPANESE GOVERNMENT BUREAUCRACY AND BUSINESS COMMUNITY MAY INDUCE A SUCCESSION OF SUBSTANTIAL JAPANESE AID INCREASES IN THE COMING YEARS.

19. DECONTROL APRIL 1, 1978.
SHOESMITH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, ECONOMIC REPORTS, TRENDS
Control Number: n/a
Copy: SINGLE
Sent Date: 17-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TOKYO07184
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770174-0767
Format: TEL
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770546/aaaaboer.tel
Line Count: 423
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d8146e91-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 TOKYO 18118
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2479598
Secure: OPEN
Status: NATIVE
Subject: JAPANESE AID TAKES LIMITED UPTURN
TAGS: EAID, PFOR, JA
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/d8146e91-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009